THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI URMILABEN CHIMANBHAI PATEL): (a) During the period April-October 1995, the country faced 8%-9% energy deficit and 15%-16% peaking deficit.

(b) The main reason for power shortage in the country is the gap between the demand and supply of power coupled with constraints of funds for undertaking the required capacity addition programme, renovation of power plants and system improvement schemes. High transmission and distribution losses and sub-optimal utilisation of existing assets have also contributed to low availability of power.

(c) Various measures have been taken by Government for optimum utilisation of installed capacity such as renovation and modernisation of old units, monitoring supply of requisite quantity and quality of coal, training of operation and maintenance personnel and strengthening of transmission and distribution system, etc. To enable power utilities to take measure in a planned way, comprehensive guidelines have been issued to power utilities for reducing transmission and distribution losses. These include, conducting of energy audit for identifying the system elements responsible for excessive losses, installing capacitors to improve the voltage profile, preparation of system improvement schemes for strengthening and improving their transmission and distribution systems, installing temper-proof meter boxes to check theft of energy and setting up vigilance squads to detect cases of theft of energy. Theft of energy has been made a cognizable offence from August, 1986 under the provision of Section 39 of Indian electricity Act, 1910. To motivate the State Electricity Boards and their employees to reduce transmission and distribution losses and to increase the energy generation in thermal power stations, separate incentive schemes in the form of cash awards/shields are in operation.

Cost and time over run in Power projects

242. SHRI KANAKSINH MOHANSINH MANGROLA: Will the Minister of POWER be pleased to state:

(a) the average cost over run per project and time over run per project in the power sector during the Sixth, Seventh and Eighth Five Year Plan;

(b) the reasons for higher cost over run and time over run per project; and

(c) the measures taken by Government to improve the situation?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI URMILABEN CHIMANBHAI PATEL): (a) to (c) The Information is being collected and will be laid on the Table of the House.

Awarding of Power Project Contract to Reliance Group Companies

243. SHRI GOVIND RAM MIRI: Will the Minister of POWER be pleased to state:

(a) whether Reliance group of companies has recently been awarded a contract for the prospecting of power projects in Patel Ganga and Raigarh district of Maharashtra;

(b) if so the terms and conditions thereof; and

(c) whether any malpractice has been involved in awarding of the contract?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI URMILABEN CHIMANBHAI PATEL): (a) and (b) The Maharashtra State Electricity Board (MSEB) have informed that Government of Maharashtra have approved the propoosal of M/s. Reliance, under competitive bidding process, for setting up a power project in Patel Ganga, Raigarh district of Maharashtra and that the power Purchase Agreement, which sets out detailed terms and conditions, is yet to be finalised.